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January 28, 1981



"FOR IL B. GOVERNMENT USE ONLY"

Mr. Edward T. Sandell, Jr. Acting Deputy Conservation Manager - Mining UNITED STATES DEPARTMENT OF THE INTERIOR P. O. Box 26124 Albuquerque, New Mexico 87125

Dear Mr. Sandell:

Enclosed are five copies of our response to your Question

This answer is to one of the questions raised by you in your October 28, 1980, letter to me.

This is the sixth batch of answers we have forwarded to you. We have now responded to sixty-eight (6 + 17 + 22 + 11 + 11 + 1) of your seventy-nine questions.

Sincerely,

R. D. Lynn Manager

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U.S. GEOLOGICAL SUPVEY ALBUQUERQUE, NEW MLXICO

ANACONDA Copper Company is a Division of The ANACONDA Company

## Ouestion

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Please provide a discussion and maps of all remaining unmined reserves (location, grade, and economic potential). This information should be submitted under separate cover, since it must be held confidential.

## Response

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All of the reserve information contained in this response is confidential to The Anaconda Company.

When open pit mining ceases, the only known unmined ore reserves remaining on the Laguna Lease will be those contained in the underground mines of P-10, P-13, NJ-45, and possibly in portions of P-15 that are still accessible from P-10. Subject to receiving satisfactory approval of mine plans submitted to the U.S. Geological Survey, and subject to the complete removal of the reserves as outlined in those plans, there will be no mineable reserves left in those areas upon completion of mining.

P-10 Will be exhausted between March, 1981, and November, 1981, depending on development of P-13, NJ-45 and P-15.

P-13 221,200 tons @ 0.22% U308.

NJ-45 251,000 tons @ 0.20% U308.

P-15 517,644 tons @ 0.16% U308. The amount of ore that is recoverable from P-15 by access from P-10 has not been finally determined because it

Anaconda considers that the above reserves are very marginal and may contain portions that are uneconomic at this time. Anaconda makes no representation or warranty as to the accuracy of these reserve estimates, nor makes any assurance that any such tonnages and/or ore grades will be found.

depends upon the P-IO closure schedule.

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U.S. GEOLOGICAL SUPVEY ALBUQUERQUE, NEW MEXICO

## Fesponse (Continued)

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In addition to the reserves contained in the foregoing mine projects, there are other occurrences of mineralization on the Laguna Lease that Anaconda has examined and determined to be uneconomic for the Company under present operating conditions. Of these, there are eight areas of more concentrated mineralization that Anaconda currently feels may be impacted by future reclamation activities. These eight areas are shown on the accompanying map titled "Jackpile-Paguate Mine," prepared November, 1980, and their respective tonnages and grades are as follows:

	AREA	TONS	GRADE
Ä		<u> </u>	GIGIDI
₽ E	NJ-29	51,000	0.183%
The S. Southern Car Only	NJ-46	17,000	0.123%
	SJ-6	62,000	0.152%
A STATE	SJ-10/11	11,000	0.104%
, OK	SJ-21/22	9,000	0.094%
<b>&amp;</b>	17-E	12,000	0.182%
Ø.	NP-36	13,000	0.300%
P	SP-26	23,000	0.096%

All of these areas of more concentrated mineralization are remnants from previous mining operations. The mineral occurrences are spotty and scattered, and have a high risk potential.

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Anaconda is currently working on technologies that may allow the economic extraction of uranium from these reserves, and therefore does not abandon or relinquish any rights to these mineral occurrences.

